

B. King, George Apfelbach, Wm. O. Krohn, S. V. Balderston, J. V. Fowler, A. W. Seidel, J. R. Ballinger, secretary; Chas. J. Whalen, chairman.

Approved by the Illinois State Medical Society.

Committee on Social or Health Insurance of the Illinois State Medical Society: Edward Ochsner, George Apfelbach, C. A. Hercules, S. V. Balderston, J. R. Ballinger, E. W. Fiegenbaum, W. B. Chapman, secretary; Chas. J. Whalen, chairman.

"The medical profession, both in Germany and England, has been demoralized, and a large amount of time which should be given to the consideration of proper medical questions and problems is now being devoted to interminable disputes as to rights and privileges, and duties and penalties, under the insurance acts. Week after week the British Medical Journal gives publicity to the facts of confusion and conflict of professional interests in British medical practice. There has not been any real health progress in England during the last three years, or since the National Health Insurance Act came into operation, nor has there been a measurable degree of intelligent co-operation with the national or local health administration. The marvelous sanitary progress of England during the last thirty years was secured without compulsory health insurance, just as this has been the case in the United States, Canada and Australia.

"The main object of compulsory health insurance is to establish an enormous bureaucratic machinery and bring about a further regularization, supervision and control of wage-workers and their dependents."—Dr. Frederick L. Hoffman.

C. P. THOMAS, Chairman.

REPORT OF THE COMMITTEE ON HEALTH INSURANCE.*

Mr. President and Fellow Members:

Your Committee's first report was published in full in the June, 1917, issue of the California State Journal of Medicine. In this report we summarized the arguments for and against the health insurance bills that have been proposed in this country. We felt that the State Society should, as a whole and not simply through a small committee, familiarize itself with this big, broad subject of Social Insurance, and that its members should not, ostrich-like, bury their heads in the sand, refusing to see the issue and meet it squarely.

Your Committee on New Business then recommended, and you adopted, the following:

(a) That the House of Delegates concur in the conclusions of the Special Committee, that the legal institution of the proposed plan of compulsory health insurance by the State of California does not seem to be advisable at this time, and that our Council be instructed to at once take steps to see to it that our viewpoint in this matter be made as politically effective as possible.

(b) That the present Special Committee on Social Health Insurance be continued, and be requested to further study this problem, and to make a report thereon at our next annual meeting.

(c) That the House of Delegates adopt, in addition, the resolution introduced, to-wit:

Whereas, There is pending before the State Legislature an Act to enable further study of the health insurance problem, with a view to providing for the State of California a compulsory health insurance for wage workers, and

Whereas, The operation of health insurance laws in force in other parts of the world has not been

a marked success in accomplishing that for which they were intended, and

Whereas, the State of California has so recently embarked upon the enactment of social insurance laws in the shape of industrial accident insurance, the efficiency and full use of which it has not yet had sufficient opportunity to learn (witness the pending Act before the Legislature, which changes some features and readjusts the whole working of that law), be it

Resolved, By the Medical Society of the State of California, that although such health insurance may quite possibly become highly desirable at some future day, for the present it is best to withhold legislation until such time as experience has proven the worth of social insurance as we now have it, and until political and economic affairs of our country have again become normal.

Since these resolutions were adopted, the amendment to the constitution, proposed by the Social Insurance Commission, has received the endorsement of both houses in the Legislature, and will be submitted to the citizens of the State in November, 1918.

As a matter of fact, the enabling amendment, or act, as it is called, was rather bitterly opposed in the Legislature by interests antagonistic to our profession (the Senate voted against it at first 21 to 11), on the ground that it would give too much power and wealth to the medical profession. When informed that your House of Delegates feared the contrary, this opposition to the act quickly disappeared.

And now we find that many different political, economic, social and industrial groups and bodies have gone on record as favoring some form of health insurance in this State. It was endorsed by the California State Federation of Labor by a 2 to 1 vote, at its 1918 annual meeting.

It was unanimously endorsed by the State Building Trades Council at its 1918 annual meeting.

Further than this, organized labor has gone on record for it in eleven States, the New York Federation of Labor, on February 6, 1918, not only endorsing the principle, but, without one dissenting vote, endorsing a bill prepared by their Health Committee in conjunction with their Legislative Committee and Executive Council.

In addition, nine of the International Unions, the Women's Trades Union League and the Southern Labor Congress have endorsed health insurance legislation.

Senator Johnson went on record in favor of social health insurance in his farewell address to the Legislature of January 8, 1917. Governor Stephens went on record in favor of social health insurance, as well as other forms of social insurance, in his speech of March 23, 1917. He went so far as to say that "social insurance might well be deemed as related to the pension system—a field of governmental activity, that has the approval and sanction of all society," after telling of the Commission's activities and the amendment and the recommendation, and stating that through social insurance the protection of citizens against poverty could be achieved.

The annual convention of State Iroquois Clubs unanimously endorsed (in February, 1918) Social Health Insurance and Senate Amendment No. 26.

Mr. J. O. Hayes, in announcing his candidacy and the principles for which he stood, declared himself for some form of health, maternity, unemployment and old age insurance.

Mr. Heney, whose name has been occasionally mentioned as a possible gubernatorial candidate, has in the past been so outspoken in his advocacy of such legislation as to leave little doubt as to what his attitude may be on the present issue.

Mr. Chester Rowell, editor of the Fresno Republican, a man widely and well known throughout the

* Read before the Forty-seventh Annual Meeting of the Medical Society of the State of California, Del Monte, April, 1918.

State, is Chairman of the Social Insurance Commission of the State of California. He is one of the strongest advocates of health insurance, and upon his return from the South Sea Islands will do all he can to foster the movement.

In our profession, there are several who have declared themselves in favor of health insurance. We cannot totally ignore the opinions of men like W. A. Evans, Alexander Lambert, Frank Billings, H. E. Mock, J. Herrick, and a host of others.

(N. B. We would like to emphasize the fact that in spite of literature gotten out by the Insurance Economics League, Dr. Lambert has not "changed front," but is still supporting the health insurance movement.)

On the other hand, in New York the bill now before the Legislature is being opposed by every county medical unit in the State.

It may be that your House of Delegates still feels as it did a year ago, that for the good of the community it would be unwise at this time to give the Legislature power to even consider such legislation. This attitude may be the correct one to assume, considering the large number of medical men now away on war duty, and the effect of their absence on medical practice in our State. If you take this attitude and wish to defeat the amendment, you must be prepared for a strong fight. You may be successful. You will not be alone. You will have the support of strong and wealthy allies, the aid of powerful and well organized interests.

First of all you will be joining hands with Christian Scientists who so far, in this State at least, have been carrying on a strong campaign against health insurance, fearing, as they do, the possibility of being taken seriously and classed, as they have always claimed to be, a religion. They have fought all who wished to regulate or license them on this ground, and have denied that they attempted to practice medicine, and insisted that they were not a business.

But watch your first allies carefully. If they can be assured of equal recognition with the medical profession, acting under Health Insurance laws, you will find them switching around so fast it will make your heads turn. This is no idle, empty statement. It would mean the recognition by the State of a group of individuals (not recognized by the Federal authorities) as competent to practice medicine. Do you now understand their present opposition? Do you understand what they are working for? We are even told that a referendum may be asked if any bill, ignoring them, be passed by the Legislature.

Your second group of rich and powerful allies are the insurance companies. They have not waited for you to enter the fight. The "Insurance Economics Society of America, Detroit, Michigan," has already gotten out a "Special California Bulletin A-1," with a picture of the Kaiser on its front page and these words: "Made in Germany. Do you want it in California?" This Society sent several thousand copies of its Special Bulletin to the San Francisco Chamber of Commerce. The Chamber, I am told, returned them with an expression that might be construed as thanks. They have sent them to commercial bodies in practically every other city and town, and to almost every member of the medical profession. A doctor in the employ of insurance companies in this State has already started on a tour of your various component societies, to warn you and enlist your aid—a man in the employ of your former enemies—for the moment, your allies.

Insurance companies will be your faithful friends and allies—most of you know how long. Just so long as the Legislature agrees to keep them out of the health insurance field. That was their attitude with industrial accident insurance. But for a

moment give them the opportunity of coming in under the law, and see what happens. It would not surprise us to see them paying premiums to get back copies of "Special Bulletin A-1."

Your Committee recognizes the duty our profession owes to the public. If the citizens of this State, by their votes in November, show us that they wish to try out some form of health insurance, we should be willing and glad to help them. As a committee, we are making no recommendation, preferring to leave it to your House of Delegates to decide what attitude to take on the amendment.

If you go on record as against the principle of health insurance, your action must be final and what follows will not need your consideration. In the event of the passage of the amendment in November, you will have, as a body, deprived yourself of the right to a hearing. In other words, if you object to the whole thing on any ground other than "war conditions," you may later be accused of trying to make a bargain to save yourselves.

Your Committee feels that if the citizens of this State endorse the amendment, they will also look to us to guarantee them proper medical care. In return, they will assure us their support in our attempts to properly organize, standardize and finance the medical profession, so as to give the public the best possible service, and this without in any way asking us to lower our standards of education, ethics, or of living.

To protect the public, and to guarantee to it the very best service, there are certain principles which will have to be incorporated in whatever Health Insurance Bill may be proposed to the Legislature. It is absolutely necessary for the medical profession to agree upon these essentials, and having agreed upon them, to fight for their inclusion. The profession should refuse to work under any proposed law that does not include them.

We have therefore outlined, as follows, the medical provisions which we believe this Society should endorse. We stand for them, each and every one of them, and believe you should adopt them all and be ready to fight for them. Anything less would be failure on our part, to protect the public which looks to us for guidance in these matters.

1. One member of the Social Insurance Commission should be an individual duly licensed under the laws of the State of California to practice medicine and surgery.

2. There should also be a Medical Director (duly licensed under the laws of the State of California to practice medicine and surgery), who shall be responsible to the Commission for the carrying out of the medical provisions of the act.

3. The Commission shall not allow any individual to accept or assume responsibility for the care or treatment of any sick insured except an individual duly licensed to practice medicine and surgery under the laws of the State of California.

4. Each insured shall have free and unrestricted right to choose the services of any physician duly licensed under the laws of the State of California to practice medicine and surgery, provided that having made the choice he shall not have the privilege to change within six months, except upon appeal to and with the consent of the medical director.

5. The medical profession must be guaranteed an adequate income. The only practical way of guaranteeing this is by payment to the physician on a capitation basis. This method of financing payment for medical service should be adopted.

6. The minimum capitation amount should be \$5.00, exclusive of specialists' service, for which a fund should be created, on a basis of at least \$1.00 per capita.

7. The maximum number of individuals that may register with one physician should be 2000, this

number having proved satisfactory in British practice.

8. The act should provide for the division of the State into districts, sufficiently small to form a proper administrative unit. Each district should have over it a medical supervisor who should be a full time salaried man, licensed under the State of California, to practice medicine and surgery.

9. The district medical supervisor should be responsible for the standards of work and the proper personal relations between physicians and the insured in his district. He would have no absolute power, e.g. such as depriving a doctor of his right to care for sick insured, but technically, he might often be called upon to decide as to the eligibility of an individual for sick benefit.

He should at all times represent the Commission's interest in the district.

It should be his duty to refer all questions seriously involving the integrity or professional ability of physicians employed under the act to a tribunal that shall be established by the Commission for the adjudication of such matters.

10. The Commission should provide in each district, diagnostic centers. These diagnostic centers should be sufficient in number, and technically so equipped, as to guarantee each insured all modern aids to diagnosis and treatment.

11. The services of a diagnostic center should be free to physicians for insured patients. These centers should be equipped by the State and should be restricted to the use of insured patients.

12. To each diagnostic center should be attached a group of specialists to include at least four. These men should devote a certain number of hours a day to the work of the center, e.g. 9 to 12 on week days, and on this basis should be paid a minimum of \$150 a month.

13. Specialists are to be chosen by a Medical Advisory Board, acting with the Medical Director, the Medical Advisory Board to be nominated to the Commission by all those State organizations whose members are all regularly licensed to practice medicine and surgery in the State of California together, possibly, with representatives of those physicians working under the act, and who are not members of the above State organizations.

14. Any physician refused employment by the Commission, either as a physician or as a specialist, may on demand be entitled to an examination given under the direction of the Medical Advisory Board.

15. Each district should be provided with dental operators and apparatus sufficient to maintain the mouths of insured in a healthy condition.

16. Each district should be provided with one or more nurses who shall act as assistants to the physicians and as sick visitants.

17. The act should be drawn in such a way that it will insure the maximum results in the prevention of disease by coordinating the activities of the physicians operating under the Social Insurance Act with those of the local and State Boards of Health and of the officers employed by the Public Health and Marine Hospital Service of the United States.

18. To work the insurance act will demand definite sacrifice on the part of the medical profession, which considers social insurance to be a social duty in the nature of a beneficence. Physicians, therefore, cannot be expected to serve under the act if any profit making organizations be allowed to share in the administration of the law or to derive any gain from the administration of the law or any of its provisions.

19. The health insurance system should provide for not only the same persons or classes of persons as those who are under the existing Workmen's Compensation System, but should include

those engaged in farm labor and in household domestic service.

20. There should be some provision in the act for the care of the casual worker.

21. Inasmuch as physicians will, under any health insurance act, become employees of the State, and responsible to the Commission for their standards of professional service, there must be some provision in the act, abrogating the individual liability of physicians for services rendered the insured.

Respectfully submitted.

(Signed) RENÉ BINE,
Chairman, Committee on Social Insurance.

NEW BUSINESS.

The recommendations contained in the President's Report, Amendments to the Constitution and By-Laws recommended by the Council, together with resolutions presented by various members of the Medical Society were referred to the Reference Committee. (See Report of Reference Committee Second Session of the House of Delegates.)

Announcement of the President.

The President then announced that the Council had appointed the following men to act as a Committee on the award of the Barbat prize for the best scientific paper:

Committee—Fitch C. E. Mattison, Pasadena; Sol Hyman, San Francisco; Geo. H. Evans, San Francisco.

Address of Barbara Nachtrieb Grimes.

Dr. René Bine moved that the privilege of the floor be granted to Barbara Nachtrieb Grimes, which was duly seconded and carried. Mrs. Grimes then took the floor and addressed the House on the subject of Social Health Insurance.

The meeting was adjourned to meet Wednesday evening, April 17th, at 8:30 o'clock.

SECOND SESSION

Wednesday Evening, April 17, 1918, at 8:30 o'clock.

ROLL CALL.

The roll being called, eighty-five Delegates were found to be present and the President, J. Henry Barbat, in the chair, declared that a quorum of Delegates was present and that the House was ready for business.

The President then made the announcement that the place of meeting for 1919 would be Hotel Potter, Santa Barbara, California.

ELECTION OF OFFICERS.

Nominations for President were declared in order.

President—Dr. C. Van Zwahlenburg of Riverside was nominated for President by Dr. Andrew S. Lobingier of Los Angeles, said nomination being duly seconded. On motion, duly seconded, the Secretary was instructed to cast the ballot of the House for Dr. C. Van Zwahlenburg for President. The Secretary duly cast the ballot, and Dr. C. Van Zwahlenburg was duly declared elected President of the Society for the ensuing year.

Nominations for First Vice-President were declared in order.

First Vice-President—Dr. John H. Graves of San Francisco was nominated for First Vice-President, said nomination being duly seconded. On